Biography

David E. Hart

CEO and Chairman

Hart InterCivic

For more than 25 years, David Hart has been involved in the organization, management and strategic development of businesses.

Beginning with his first entrepreneurial venture, Mr. Hart purchased a three person retail stationery store in Austin, Texas and in ten years built and owned one of the largest independent Hallmark card shop chains in the Southwest.

After successfully selling the retail venture, Mr. Hart joined his father, William Hart, at Hart Graphics, Inc. After assignments in both product management and sales management, Mr. Hart was elevated to President of Hart Graphics. As a result of his direction, Hart Graphics evolved from a regional commercial printer to a national supply chain and manufacturing concern serving the high tech manufacturing and software publishing industries. Under his leadership, Hart Graphics, Inc. grew from $30 million in revenue to over $100 million.

Mr. Hart's vision then led to the divestiture of Hart InterCivic, Inc. from Hart Graphics, Inc. and the subsequent repositioning of both companies within their respective industries and markets. Today he serves as Chairman and CEO of Hart InterCivic, a leading national provider of election and e-government solutions, delivering products and services to more than 5,000 customers in 14 states.

Mr. Hart has also played an active leadership role in professional and civic organizations. He served as a director and member of the executive committee of the Printing Industry of America (PIA), including responsibilities as chairman of the Long-range Planning Committee, Research and Development Committee, and the Futures Study Group, charged with publishing a long-term forecast for the industry. Mr. Hart's community involvement includes service as a board member for the United Way/Capital Area, two terms on the board of the Greater Austin Chamber of Commerce, and as Chairperson of the Travis County Adult Literacy Council. Currently, he is Chairperson for the Task Force of Austin's Major Employers.

Mr. Hart holds a BA degree from the University of Texas at Austin.

Testimony of David E. Hart, Chairman
Hart InterCivic, Inc.
before the
Committee on House Administration
United States House of Representatives
May 17, 2001

Mr. Chairman, members of the Committee, my name is David Hart. I am chairman of Hart InterCivic, based in Austin, TX. I thank you for the privilege of appearing before you this morning.

Hart InterCivic has been in the election business since 1912. A primary business focus for Hart InterCivic since its inception has been the production of ballots for county governments throughout the country, as well as other election products and services. Hart InterCivic has provided election products and services to more than 5,000 election customers in 11 states, supporting 2,500 elections per year conducted by 450 counties. Over its history, Hart InterCivic has provided services to 14% of all US counties.

Hart InterCivic's Experience with Electronic Voting

In the November 2000 Presidential election, we rolled out a new product -- the eSlate Electronic Voting System. eSlate was the result of more than two years of development effort, dating well before the controversies that surrounded the Presidential election. I have included a brief description of the eSlate system as an attachment to my written testimony.

During the 2000 Presidential election, and in the months following, *e*Slate was successfully used for voting in the following locations:

- In Colorado, 5,000 early voters at the main early voting location in **Arapahoe County, CO**, which includes portions of the Denver metropolitan area, chose to cast their official votes using the *e*Slate system. Additionally, voters in **Summit County, CO**, which includes Breckenridge, cast their ballots via the *e*Slate system for early voting and also used the system on Election Day.
- In **Tarrant County, TX**, which includes the Fort Worth area, 17,000 voters at two voting locations chose to cast their official votes using the *e*Slate system during early voting sessions.
- In **Jefferson County, Colorado**, eSlate has been used on two occasions to support elections for a special district government;
- In **Collin and Bexar Counties in Texas**, and in the **City of Hyattsville, Maryland**, eSlate was used this month for local elections.

In several of these locations, either Hart InterCivic or the local election officials have conducted surveys testing voter satisfaction with the system. The results of the surveys consistently report that in excess of 90% of voters responding said the system was easy to use and expressed their interest in voting on electronic voting systems in the future.

The Benefits of Electronic Voting Systems

The experience from *e*Slate's live voting sites also demonstrates the important benefits of electronic voting systems.

- In electronic voting systems, votes are recorded directly as cast by the voter. There are no paper ballots or cards that must be processed or interpreted.
- At the same time, electronic voting systems can be programmed to prevent overvoting, allow easy corrections by voters, and warn voters if they are about to cast a ballot with unvoted races (known as undervoting).

- Specialized devices can support disabled voters, including audio ballot readers, specialized "tones and clicks" that confirm votes, and flexible switches that can allow even the most seriously physically challenged to vote independently and in private.
- Tabulation and auditing are automatic, and electronic audit trails can be designed to ensure the utmost in security and reliability.
- Electronic voting can greatly speed the process. For example, votes cast on the eight eSlate machines used by Summit County were tabulated in less than 10 minutes.

We made the strategic decision to introduce a direct record electronic product because we firmly believed, and today believe even more so, that the market is undergoing a fundamental evolution away from paper-based balloting systems to electronic voting.

This transition is driven by the requirements of state and local governments, especially counties, for election systems that meet several key objectives:

- ***Unassailable accuracy***, recording each vote accurately, tabulating vote totals, and reporting and archiving results accurately and reliably.
- ***Unobstructed access*** for all voters, meaning a system that is easy to learn and use and one that enables special needs voters, including disabled and literacy challenged voters, to cast votes independently.
- ***Unambiguous recording of voter intent***, preventing overvoting and ensuring that the voter is informed of any undervoting, with clear confirmation of cast votes and protections built into the system to minimize errors.
- ***Efficient, affordable administration and management***, allowing election officials to quickly set up and prepare polls, open polls, train poll workers, manage early voting and Election Day voting, integrate absentee ballots and results, and easily perform the wide range of other activities necessary to effectively manage a successful election.

The transition from lever machines and punch cards, and even optical scan systems, to electronic voting will occur over time, as state and local officials phase out older generation equipment and begin the replacement cycle. Some jurisdictions, such as Harris and Travis Counties in our home state of Texas, have already issued requests for proposals to acquire new voting systems. Other jurisdictions, both at the state and county level, have launched or, in some cases, completed, studies of their election systems, and are in the early phases of implementing a diverse set of recommendations, generally including attention to equipment modernization.

Responses the Committee's Questions

In this context, the committee is to be commended for undertaking hearings on this important subject. You have asked for responses to several specific questions, and I will address each.

Would the voting machine industry be able to replace outdated machines by the 2002 election? 2004 election?

This question is one that is being asked frequently in expectation of the increased market demand for electronic systems following the Presidential elections. The basis for the question is the fact that the elections equipment industry is one that has traditionally been dominated by smaller companies – companies that some fear might not have the capacity to scale-up manufacturing, deployment, and support sufficiently to meet the market acceleration.

In reality, while the scale-up will certainly be significant, it will take time. Some punch card counties are not planning to change just because of what occurred in Florida, and only a few states are taking the action of prohibiting the use of punch cards. The transition is likely to be more measured than many expect given the headlines of the last few months.

However, if there is a mandate to replace all outdated machines by 2002 or 2004, certain trends are emerging that have the potential to expand the industry's capacity to meet demand. The entry of new companies into the market, some serving as manufacturing or integration partners to

existing vendors and some offering entirely new solutions, increases the number and capability of available vendors. These companies are likely to enter the market through alliances with companies that have certified solutions. In particular, companies with well-established manufacturing processes and existing facilities, such as Dell, Compaq, and IBM, can greatly increase the industry's ability to make product available at a pace demanded by the market. The large integrators, such as Accenture, Unisys, and others will play a key role in deployment of new systems. In this way, the capacity of the market to meet accelerating demand will greatly increase.

There are several variables that will affect the ability of the industry to respond to increased demand. These include the certification process, requirements to integrate legacy systems and processes into new systems, and certainly, funding. A discussion of some of these factors follows.

What can be done to improve the equipment certification process?

Improving the equipment certification process is key to achieving many of the other objectives referred to in your questions. The Voluntary Federal Voting Systems Standards developed by the Office of Election Administration and the National Association of State Election Directors provide an important tool for election officials who are seeking some assurance that election equipment meets strict standards for managing modern elections. However, the guidelines must keep up with the evolution of technology, especially as systems are increasingly software intensive. This means that oversight and management of the guideline process must be allocated adequate resources to stay current.

Furthermore, even with adequate guidelines in place, the certification process must have resources to ensure that systems are reviewed in a timely manner, especially as new capabilities take the form of software revisions rather than wholesale equipment redesign. Making sure that the system of independent testing laboratories has the capacity to address certification requests from existing and new vendors will be crucial, especially as users at the state and county level demand new functionality in response to their experience using the new systems.

How can the costs of voting equipment be reduced?

I contend that costs are already coming down. Prices for DRE systems have fallen by as much as 50% in the last few years as vendors improve design and manufacturing, eliminate more costly components, and more effectively manage supply chains. As the market for electronic voting systems increases, vendors can begin to take advantage of even greater economies of scale in production, and the entry of new companies, some with well established reputations for excellence in manufacturing, will drive production costs, and ultimately market price, down even farther.

Improving the process of certification will help drive down the cost of systems as well, as guidelines become clearer and new capabilities and technologies can be introduced more quickly. For example, we are in the process of introducing a ballot-by-mail system that uses commercial off-the-shelf components, one way of keeping the total system cost down.

In drawing conclusions about the cost of electronic voting systems, however, it is important to consider the total cost of ownership of these systems. While up front costs may be higher than older generation paper-based systems, electronic systems do not require the annual cost of ballot printing. Our analysis has shown that an electronic voting system can reach cost comparability with an optical scan system in five years or less – two years in the case of a system that combines electronic systems for accessibility and precinct optical scanners. This does not take into consideration the efficiencies in administration, storage, and maintenance that electronic systems offer, nor the broader qualitative benefits of accuracy and accessibility.

What federal action could help facilitate technological improvements in the voting process?

We believe that the newest generation of electronic voting systems already offers significant technological improvements in the voting process, and the industry will continue to pursue innovation in response to market requirements. For example, in the wake of issues raised by the

November 2000 elections, concerns were raised about undervoting, and other forms of possible voter error. The industry responded with new functionality that advises. Voters about a wide range of issues that affect their ballot, such as the fact that they failed to vote in a race or that they are deviating from straight party votes, where appropriate. Accessibility technology has been vastly improved, and audit trails and security have consistently improved in response to market requirements. And all of this has occurred at the same time systems have become lighter weight, more durable, less expensive, and easier to set-up, take-down, and store.

In terms of a federal action to facilitate technological improvements, one key is appropriations that ensure the proper functioning of the Voluntary National Standards program. The Federal Government, through the FEC or through a newly created body, can also play a crucial role as a clearinghouse for best practices and data regarding vendor performance and capabilities. Finally, direct Federal aid to states and counties to assist with the purchase of new equipment will speed the modernization of our elections infrastructure.

Conclusion

The questions you ask are vital questions, impacting not only the state and local election officials who must administer the electoral system, but also the voters who count on a system that eliminates barriers to their participation and accurately tallies their votes.

Companies like Hart InterCivic, which have served this market for many years, stand ready to assist you in any way as you seek answers to the challenges that are at the front of the nation's consciousness. Together, we can effectively move to the next generation of voting systems, and with the new systems achieve the benefits that accrue to our nation's democracy.